

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

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In re: : Chapter 11
:
CIRCUIT CITY STORES, INC., : Case No. 08-35653-KRH
et al., :
:
Debtors. : Jointly Administered
- - - - - x
Hrg. Date: January 16,
2009 at 10:00 a.m. (ET)
Obj. Due: January 15,
2009 at 8:00 p.m.(ET)

**NOTICE TO COUNTERPARTIES TO CONTRACTS AND LEASES THAT
THE DEBTORS HAVE IDENTIFIED ONE OR MORE POTENTIAL
PURCHASER OF EXECUTORY CONTRACTS AND UNEXPIRED PERSONAL
PROPERTY AND NONRESIDENTIAL REAL PROPERTY LEASES**

PLEASE TAKE NOTICE that pursuant to the bidding procedures (the "Bidding Procedures") approved by the Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") in the Order (I) Approving Procedures In Connection With Sale Of All Or Substantially All Of The Business, (II) Authorizing Debtors To Enter Into Stalking Horse Or Financing Agreements In Connection With Going Concern Transactions Or Stalking Horse Agreements In Connection With Store Closing And Miscellaneous Asset Sales Or, (III) Approving The Payment Of Termination Fee In Connection Therewith, (IV) Setting Auction And Hearing Dates Pursuant To Bankruptcy Code Sections 105 And 363 And (V) Granting Related Relief (the "Bidding Procedures Order ") (Docket No. 1460) entered on January 12, 2009, the debtors and debtors in possession in the above captioned cases (collectively, the "Debtors") have identified one or more potential purchasers (the "Potential Purchaser") (listed on Schedule A attached hereto) of the Contract(s) and Lease(s) to which you are a counterparty. **NOTE: The Debtors are not required to include in the Potential**

Purchaser Notice any landlord that expressed an interest in bidding on its own lease.¹

PLEASE TAKE FURTHER NOTICE pursuant to the Bidding Procedures, the Contract(s) and Lease(s) to which you are a counterparty will be assumed and assigned to the Potential Purchaser if the sale is successful and approved by the Bankruptcy Court at the hearing to be held on January 16, 2009 at 10:00 a.m. (prevailing Eastern time) (the "Hearing") in the United States Bankruptcy Court for the Eastern District of Virginia, 701 East Broad Street, Room 5000, Richmond, VA 23219.

PLEASE TAKE FURTHER NOTICE that if more than one party has been identified as a Potential Purchaser, such parties may participate in an auction for the interest in the Contract(s) and Lease(s) at 12:00 noon (prevailing Eastern time) on January 13, 2009 at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, New York 10036 or such later time or other place as the Debtors shall determine.

PLEASE TAKE FURTHER NOTICE that counterparties to any Contract or Lease sought to be assumed and assigned at or in connection with the Hearing, shall either file an objection to the assumption and/or assignment of the Contract or Lease up until January 15, 2009 at 8:00 p.m. (ET) and/or orally object at such Hearing. Any filed objection shall state the legal and factual basis of such objection (subject to the foregoing restrictions on use of Adequate Assurance Information) and may be orally supplemented at the Hearing.

PLEASE TAKE FURTHER NOTICE that any and all written objections as contemplated by the Bidding Procedures Order or this Notice must (a) be in writing, (b) conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Eastern District of Virginia, and the Case Management Order, (c) be filed

¹ The Debtors are continuing discussions with interested parties, and Schedule A may be supplemented.

with Bankruptcy Court and (d) served in accordance with the Order Pursuant to Bankruptcy Code Sections 102 and 105, Bankruptcy Rules 2002 and 9007, and Local Bankruptcy Rules 2002-1 and 9013-1 Establishing Certain Notice, Case Management, and Administrative Procedures (Docket No. 0130) (the "Case Management Order") so as to be **received** on or before the appropriate deadline as set forth above or in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that a hearing with respect to assumption and assignment of Contracts and Leases will be held before the Honorable Kevin R. Huenekens, United States Bankruptcy Judge for the Eastern District of Virginia at the Bankruptcy Court, 701 East Broad Street, Room 5000, Richmond, VA 23219, at the Sale Hearing or such other date and time as the Court may schedule. Only objections made in writing and timely filed and received or orally made at the Hearing will be considered by the Bankruptcy Court at such Hearing.

PLEASE TAKE FURTHER NOTICE that if no objection is timely filed and received and no objection is made at the Hearing with regard to a Contract or Contracts and/or Lease or Leases, the non-Debtor counterparty to the Contract or Lease will be deemed to have consented to the assumption and assignment of the Contract(s) and Lease(s) to a Potential Purchaser that is selected as the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that the Debtors assert that pursuant to 11 U.S.C. § 365, there is adequate assurance that the any cure amounts will be paid and adequate assurance of future performance. Adequate Assurance Information in the form of (a) information about the Potential Purchaser's financial condition, including without limitation, federal tax returns for two years, a current financial statement, and/or bank account statements, (b) a description of the intended use of the premises (if applicable), (c) the exact name of the proposed assignee, (d) the proposed form of Order authorizing the assumption and assignment of the Contract(s) or Lease(s) (if such order is available), and (e) any information that the Debtors may reasonably request ("Adequate Assurance Information"), is attached hereto. **By Order of the Bankruptcy Court, any and all**

Adequate Assurance Information provided to a counterparty to a Contract or Lease shall be deemed provided on a confidential basis without the need for an informal or formal confidentiality agreement or further order of this Court and may only be disclosed by such counterparty(ies) upon receipt of the written consent from the Debtors and the Qualified Bidder, order of this Court, or in connection with an objection to the proposed sale, assumption and assignment; provided, however, that prior to disclosing any Adequate Assurance Information (by objection or otherwise and whether filed or orally at a Hearing), the counterparty shall provide twenty-four (24) hours advance notice to the Debtors and the Qualified Bidder of such intended use; provided, further, that, to the extent requested by the Debtors or the Qualified Bidder, such counterparty shall use commercially reasonable steps to assist the Debtors in obtaining an order protecting the confidentiality of such information before any disclosure.

PLEASE TAKE FURTHER NOTICE that Adequate Assurance Information will be made available upon reasonable request of the Debtors (by electronic mail to counsel for the Debtors to gregg.galardi@skadden.com, ian.fredericks@skadden.com and t.kellan.grant@skadden.com) and evidence of the same will be adduced, if necessary, at the Hearing. By order of the Court, upon request in accordance herewith of a counterparty to a Contract or Lease that is subject to the Potential Purchaser Notice, the Debtors shall provide Adequate Assurance Information to such counterparty by the later of (i) 12:00 noon (ET) on January 13, 2009 and (ii) six (6) hours after receipt of such request, provided that such request is received between the hours of 8:00 a.m. (ET) and 7:00 p.m. (ET). Prior to the Closing Date, the Debtors may revise their decision with respect to the assumption and/or assignment of any Lease and provide a new notice amending the information provided in this notice.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: January 12, 2009
Richmond, Virginia

SKADDEN, ARPS, SLATE,	MCGUIREWOODS LLP
MEAGHER & FLOM, LLP	Douglas Foley (VSB No. 34364)
Gregg M. Galardi, Esq.	One James Center
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P.O. Box 636	Richmond, Virginia 23219
Wilmington, Delaware	(804) 775-1000
19899-0636	

- and -

SKADDEN, ARPS, SLATE,	
MEAGHER & FLOM, LLP	
Chris L. Dickerson, Esq.	Counsel for Debtors and Debtors
333 West Wacker Drive	in Possession
Chicago, Illinois 60606	

SCHEDULE A

[Potential Purchaser]

Potential Purchasers

Store Number	Lease Location	Bidder
6565	680 South Lemon Ave. Walnut, CA 91789	Cardinal Capital Partners, Inc. Attn: Scott Haire 8214 Westchester Dr. Ninth Floor Dallas, TX 75225 (214) 696-3600 Fax: (214) 696-9845 shaire@cardinalcapital.com -together with- 680 S Lemon Ave Co. LLC 708 Third Avenue 28th Floor New York, NY 10017 (212) 867-0990
852	Cross Pointe Shopping Center 5075 Morganton Road Fayetteville, NC 28341	Fayetteville Developers, LLC C/O Developers Realty, Inc. Corporate Center West 433 South Main St., Suite 310 West Hartford, CT 06110 (860) 561-0121 Fax: (860) 521-4323
401	4400 West Sunset Blvd. Los Angeles, CA 90027-6038	CIM/Birch St., Inc. 6922 Hollywood Blvd., Suite 900 Los Angeles, CA 90028 (323) 860-4900 Fax: (323) 860-4901
401A	1332 & 1406 Virgil Place Los Angeles, CA 90027 (owned by CC)	CIM/Birch St., Inc. 6922 Hollywood Blvd., Suite 900 Los Angeles, CA 90028 (323) 860-4900 Fax: (323) 860-4901
231	4070 Stevens Creek Blvd. San Jose, CA 95129	Regency Realty Group, Inc. 299 Oak Rd., Suite 1000 Walnut Creek, CA 94597 (800) 797-7348 (925) 279-1800 Fax: (925) 935-5902
3207	8575 NW 13th Terrace Miami, FL 33126	Walmart Stores, Inc. 2001 SE 10th St. Bentonville, AR 72716